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Director and Chief Medical Officer

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Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

February 10, 2005

TO: Each Supervisor

FROM: Thomas L. Garthwaite, M.D. 
Director and Chief Medical Officer

SUBJECT: **PATIENT ACCOUNT COMPROMISE REPORT -
SECOND QUARTER FISCAL YEAR (FY) 2004 - 2005**

Attached is DHS' quarterly report of approved account compromises including the amount of liability reduced and the reason(s) for such reductions. For the second quarter covering October 1, 2004 through December 31, 2004, total liability reductions were \$3.9 million (36%) and corresponding approved compromise offers were \$6.9 million (64%). Cumulatively, year-to-date liability reductions for FY 2004-05 totaled \$7.8 million (34%) and corresponding approved compromise offers were \$15.4 million (66%).

If you have questions or desire additional information, please let me know.

TLG:lg (AStecker\FY04054CompromiseReportQ2\FY0405v2.doc)
02-06-002

Attachment

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller
Treasurer Tax Collector

COUNTY OF LOS ANGELES - DEPARTMENT OF HEALTH SERVICES
APPROVED PATIENT ACCOUNT COMPROMISES
FISCAL YEAR 2004 - 2005
SECOND QUARTER

FACILITY	NUMBER OF ACCOUNTS	APPROVED OFFER OF COMPROMISE	APPROVED TOTAL LIABILITY REDUCTION	REASON(S) FOR COMPROMISE
NORTHEAST AREA				
Hospital	287	\$ 2,304,550	\$ 1,385,735	One-Hundred-Ninety-seven (197) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Fifty-three (53) accounts as amounts exceeded patients' current financial resources to pay.
				Thirty-five (35) accounts as third-party claims settled.
HC/HC	0	\$ -	\$ -	Two (2) accounts as patient hardship, other party not responsible for debt, has agreed to pay.
TOTAL NORTHEAST AREA	287	\$ 2,304,550	\$ 1,385,735	
SOUTHWEST AREA				
Hospital	70	\$ 877,701	\$ 397,135	Forty-four (44) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Nineteen (19) accounts as third-party claims settled.
				Seven (7) accounts as amounts exceeded patients' current financial resources to pay.
HC/HC	0	\$ -	\$ -	
TOTAL SOUTHWEST AREA	70	\$ 877,701	\$ 397,135	
SAN FERNANDO VALLEY AREA				
Hospital	69	\$ 269,902	\$ 78,947	Forty-two (42) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Twenty-seven (27) accounts as amounts exceeded patients' current financial resources to pay.
HC/HC	0	\$ -	\$ -	
TOTAL SAN FERNANDO VALLEY AREA	69	\$ 269,902	\$ 78,947	
COASTAL AREA				
Hospital	169	\$ 3,270,955	\$ 1,923,371	One-hundred-nine (109) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
				Forty-six (46) accounts as amounts exceeded patients' current financial resources to pay.
				Fourteen (14) accounts as third-party claims settled.
HC/HC	0	\$ -	\$ -	
TOTAL COASTAL AREA	169	\$ 3,270,955	\$ 1,923,371	
ANTELOPE VALLEY AREA				
Hospital	4	\$ 984	\$ 666	Four (4) accounts as the highest amounts that could be negotiated with the patients' insurance (Commercial or HMO) carrier, under the circumstances of the case, and receipt of such insurance proceeds prevent further collection from the patients, except for possible beneficiary coinsurance or deductible obligations.
HC/HC	0	\$ -	\$ -	
TOTAL ANTELOPE VALLEY AREA	4	\$ 984	\$ 666	
RANCHO LOS AMIGOS				
TOTAL RANCHO LOS AMIGOS	5	\$ 216,441	\$ 100,749	Four (4) accounts as amounts exceeded patients' current financial resources to pay.
				One (1) account as third-party claims settled.
ALL FY 04-05 - 2ND. QTR ALL FACILITIES	604	\$ 6,940,533	\$ 3,886,603	
COLLECTION RATIO FY 04-05 - 2ND. QTR ALL FACILITIES			64%	
COLLECTION RATIO FY 04-05 - YTD ALL FACILITIES			66%	COLLECTION RATIO FY 03-04 ALL FACILITIES 67.2.%